NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY RUMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSPERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEAST v.5



PAID UP OIL AND GAS LEASE (No Santonea VIsa)

TAAN YAMA KAKAA AYAAN
THIS LEASE ASSIGNMENT IS made this 34th day of JUNE 2008, by and between MENIA WILLIAM (1 SINGLE PERSON)
whose addresss is 3337 NECT VOLV (UEAUE FOLD 1 TEXTS 7610 as Lesson and, DALE PROPERTY SERVICES, L.L.C., 2199 Ross Avenue, Suffe 1879 Dallins Texas 76201, as Lessee. All printed portions of this lesse were prepared by the part hereinabove named as Lesson, but all other provisions (including the compisition of blank spaces) were prepared jointly by Lessor and Lessee. 1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the followin described land, herefrequer called feased premises:
ACRES OF LAND, MORE OR LESS, BEING LOT(S)
in the County of Tell rant, State of Texas, containing of the purpose of exploring for, developing, producing and marketing off and gas, along with all hydrocarbon and non hydrocarbon substances produced in passociation therewith (including geophysical/seismic operations). The term "gas" as used therein includes helium, carbon dioxide and other commercial yases, as well as hydrocarbon gases. In addition to the above-described leased promises, this lease also covers accretions and any small strips or parcels of tand now or hereafter owned by Lessor which are configuration or subjected to the above-described leased premises, and, in consideration of the aboverage because of the above-described leased premises, and, in consideration of the aboverage because of the aboverage of the aboverage of the aboverage of the purpose of determining the amount of any shaffer regulation of the number of gross series above specified shall be deemed correct, whether accusely more or less.
2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of FCUC () years from the date hereof, and to as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease to discretise maintained in effect pursuant to the provisions travel. 3. Revallies on all rease and other substances produced and provide the provisions are produced. The provisions of the provis

3. Royellies on oil, yes and office substances produced and seved heretunder shall be paid by I essee to Lossor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's repeated at Lessee's repeated at Lessee's repeated at Lessee's recitable, the royalty shall be Tree by Free by Sy of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such production here of production of similar grade and gravity; (b) for yes (including resalting head gas) and all other substances covered hereby, the royalty shall be production, severative, or other exclass taxes and the costs incurred by Lessee in delivering, proceeding or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing market price paid for production of similar quality in the same field or if there is no such production, severative, or other exclass taxes and the costs incurred by Lessee in delivering, proceeding or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing market price paid for production of similar quality in the same field or if there is no such production at the same field or if there is not use an except proceeding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or nearest preceding from a si

4. All shul-in royally payments under this lease shall be paid or tendered to Lessor or to Lessor's credit in _gt lessor's address above_ or its successors, which shall

4. All shulin royalty payments under this lease shall be paid or tendered to Leason's credit in <u>at leason's address above</u> or its successors, which shall be Leason's depository agent for receiving payments regardless of changes in the ownership of said land. All payments or tenders may be made in currency, or by check or by draft and such payments or tenders to Leason or in the depository by deposit in the US Mails in a stamped envelope addressed to the depository or to the Leason at the tast address known to Leasee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fall or refuse to accept payment hereunder, Leason shall, at Leasen's requect, deliver to Leason a proper recordable instrument naming another institution as depository agent to receive payments.

6. Except as provided for in Paragraph 3, above, if Leasee drifts a well which is incapable of producing in paying quantities (hereinaliter called "dry hole") on the leased premises or lands puoted therewith, or if all production of only governmental authority, then in the except this lease is not otherwise being maintained in force it shall nevertheless remain in force if Leason commences operations for reworking an existing well or for drilling or additional well or for otherwise obtaining or reationg production on the leased premises or lands provided to obtain or restore production of operations on such dry hole or within 90 days after such consistion of all production. If at the end of the primary tenn, or at any time theteafter, this lease is not otherwise being maintained in force to the engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production therefore. The leased premises or lands provided there is production in paying quantities from the leased premises or lands provided thereign in paying quantities from the leased premises or lands provided thereign to production in paying quantities for while leased premises or lands

to (a) develop the leased premises as to formations first aspable of producing in paying quantities on the tasten promises that proceed the delights of the producing in paying quantities on the tasten promises and as to any or all substances covered by this lease, effect before or after the commencement of production, whenever taste edges or all substances covered by this lease, effect before or after the commencement of production, whenever taste edges or proper to do so in order to productly develop or operate the leased premises, whother or not similar proding outbody exists with respect to such other lands or interests. The until formed by nucli profiling for an oil well which is not a horizontal completion shall not exceed 40 acres plus a maximum acreage tolerance of 10%, provided that a larger unit may be found for an oil well or horizontal completion shall not exceed 40 acres plus a maximum acreage tolerance of 10%, provided that a larger unit may be found for an oil well or horizontal completion is any well spacing or density place that may be prescribed or permitted by any governmental authority had for a gas well or horizontal completion to contorn to any well spacing or density shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so of the foregoing, the toms "oil well" main" as well with an initial gas-oil ratio of less than 100,000 cubic lest per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic lest per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic lest per barrel and "gas well" means a well with an initial gas-oil ratio of less than 100,000 cubic lest per barrel and "gas well" means as well with an initial gas-oil ratio of less than 100,000 cubic lest per barrel and "gas well" means as well with an initial gas-oil ratio of less than 100,000 cubic lest per barrel and "gas well" means as well with an initial gas-oil ratio of less than 100,000 cub

7. If Lessor owns loss than the full inlineral estate in all or any part of the leased premises, the royalfles and shut-in royalfles payable hereunder for any well on any part of the leased premises of lands pooled therewith shall be reduced to the proportion that Leason's Interest in such part of the leased premises bears to the full mineral astate in

II. The interest of either Lessor or Lesson hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective helps, devisees, executors, administrators, successors and assigns. No change in Lessors and obligations of the parties thereunder shall extend to their respective helps, devisees, executors, administrators, successors and assigns. No change in change in ownership dealt be binding on Lessors awarership shall have the effect of reducing the rights or entiring the obligations of Lessee hereunder, and no change in ownership dealt be binding on Lessee until 60 days after Lessor has setisfied the negligible or entiring or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee's usual form of division order. In the event of the death of any person entitled to shut-in regulities hereunder, Lessee may pay or tender each shut-to regulities to the credit of decedent or decedent's establishing the depository designated above. If at any time two or more hereunder, Lessed may pay or lender outst shut-to toyulities to the credit of decedent and accelerative activits in the depository designated above. If all any time two or more persons are entitled to shut-to repetitive the interest which each owns. If Lessee may pay or lender such shut-to repetitive to such parameter to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest becaute in whole or in part Lessee shall be refleved of all obligations thereafter within each own. If Lessee transferse is interest becaute in the respect to the transferred interest shall not attend the transferred becaute of the transferred to the transferred interest shall not attend the rights of Lessee with respect to any holdered not us transferred. If I assee transferre a full or undivided interest in all or any portion of the area covered by this lesse, the obligation to pay or tender shut-in repaid and from time to time, deliver to Lessor or like of record a written release of this lesse as to a full or undivided interest in all or any portion of the area covered by this lesse or any depths or zones there undor, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If it is except only the real covered in terms to be proportionately reduced in accordance with the real accorded interest colored becaused.

The since covered by this lease or any displace or come there undoes and all thereupon be releved of all of but before the since the control of the since to which the since to work the since to the since th

15. Lessor hereby warrants and agrees to defend this conveyed to Lessee hereunder, and agrees that Lessee at Lessee's uption may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the lessed premises. If Lessee excurbes such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shuf-n royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may append the payment of royalties and shuf-in royalties hereunder, without interest, until Lessee here here furnished satisfactory evidence that such claim has been resolved.

16. Notwittstandard any evidence to the contract in this lease Lessee has been excluded.

Notwithstanding anything contained to the contrary in this lease, Lescoe shall not have any rights to use the surface of the leased premises for drilling or other

LESSOR (WHETHER ONE OR MORE)

OPERAGONA.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Leasor acknowledges that oil and yas lease payments, in the form of rental, borous and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Leasor understands that these lease payments and terms are final and that Leasor entered into this lease without duress or undue influence. Leasor acquires that lease values could go up or down depending on market conditions. Leasor acknowledges that no representations or assurances were made in the negotiation of this lease that Leasor would get the highest price or different terms depending on hitre market conditions. Neither party to this lease will seek to after the terms of this impaction based upon any differing terms. which Lessee has or may negotiate with any other tessors/oil and gas owners.

IN WITNESS WHEREOF, this tease is executed to be effective as of the date first written above, but upon execution shall be bloding on the signatory and the signatory's helrs, devisees, executors, administrators, successors and assigns, whether or not this lease had been executed by all parties hereinabove named as Lessor.

Melvin Willis By: ACKNOWLEDGMENT COUNTY OF JARWIN N. SCOTT Motery Public, State of Notary Public, State of Texas Notery's commission explices Notery's commission explices Commission Expires October 31, 2010 STATE OF COUNTY OF This instrument was acknowledged before me on the ______ day of ______



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

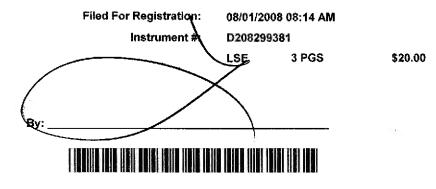
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

<u>DO NOT DESTROY</u> WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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ANY PROVISION WHICH RESTRICTS THE SALE, RENTAL OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.

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